

FISCAL IMPACT STATEMENT ON BILL NO. **S.1014**

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TO:	The Honorable Glenn McConnell, Chairman, Senate Judiciary Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Beth Campbell		
DATE:	February 1, 2006	SBD:	2006042

AUTHOR:	Senator Knotts	PRIMARY CODE CITE:	42-9-35
SUBJECT:	Workers' Compensation - Attorney Fees		

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

See Below

BILL SUMMARY:

This Bill provides that if a person has been declared permanently disabled in a final order of the Workers' Compensation Commission and is required to appear before the Commission to defend his award of benefits; his attorney's fee must be paid by his employer.

EXPLANATION OF IMPACT:

Statewide

The State Accident Fund indicates enactment of the proposed Bill would increase claim costs to state agencies by approximately \$50,000. As a result, workers' compensation premiums may be adjusted to compensate for this additional cost. Premiums are paid by agencies from a variety of sources including state, federal and other funds.

Workers' Compensation Commission

The Commission reports this Bill will have no impact on the General Fund of the State or on Federal and/or Other Funds.

Second Injury Fund

The Agency reports this Bill will have no impact on the General Fund of the State or on Federal and/or Other Funds. The increased cost from the attorney's fees paid by the Uninsured Employers' Fund would be equal to the amount the agency would attempt to collect from the uninsured employer, so no additional expenditures or savings are expected.

LOCAL GOVERNMENT IMPACT:

None.

SPECIAL NOTES:

None.

Approved by:



Don Addy
Assistant Director, Office of State Budget